



STATE OF WASHINGTON

PUBLIC DISCLOSURE COMMISSION

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BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON

IN RE COMPLIANCE	)	PDC CASE NO: 06-279
WITH RCW 42.17	)	
	)	
PATRICIA DAVIS	)	
	)	REPORT OF INVESTIGATION
Respondent.	)	
_____	)	

I. BACKGROUND

- 1.1 Patricia Davis is an incumbent port commissioner in the Port of Seattle. Ms. Davis was first elected to her position in 1985. She was re-elected in the 1991, 1997, 2001, and 2005 elections.
- 1.2 Ms. Davis filed a Candidate Registration (PDC form C-1) on June 7, 2001, registering her 2001 campaign for re-election. **(Exhibit 1)** On her registration, Ms. Davis indicated that she would follow the reporting requirements of the Full Reporting option, and file the frequent, detailed contribution and expenditure reports required under that option. Ms. Davis' treasurer for the 2001 election, Denton Kiehle, was also treasurer for her 1997 and 2005 campaigns.

II. ALLEGATIONS IN COMPLAINT

- 2.1 On October 12, 2005, a 45-Day Citizen Action Letter of complaint against Patricia Davis was received from Richard Pope of Bellevue, Washington. **(Exhibit 2)** In his complaint, Mr. Pope alleged that:
- Ms. Davis failed to timely file C-4 summary reports of receipts and expenditures due prior to and after the 2001 election;
  - Ms. Davis failed to timely file a C-3 monetary contribution report that was due in the month following the 2001 election;
  - Ms. Davis improperly loaned \$8,000 to her campaign within 21 days of a general election, when contributions and loans from any source were restricted to \$5,000 during that period; and



- Ms. Davis repaid herself for loans made to her 2001 campaign in excess of the limit on candidate loan repayments that was in effect for that election.

### III. SUMMARY OF FINDINGS

3.1 In her 2001 campaign, Ms. Davis filed reports of \$97,114 in contribution deposits and \$90,983 in expenditures between 3 and 99 days late. Ms. Davis raised and spent a total of \$102,408 in her 2001 campaign; the majority of activity during Ms. Davis' campaign was not disclosed in a timely manner.

3.2 The late activity was as follows:

Report Type	Activity	Date Report Due	Date Filed	Days Late
May C-4	\$7,470 Contr. / \$7,544 Expend.	6/7/01	6/15/01	8
C-3	\$3,232 Contr.	7/10/01	7/16/01	6
June C-4	\$15,178 Contr. / \$4,201 Expend.	7/10/01	7/16/01	6
C-3	\$5,155 Contr.	7/13/01	7/24/01	11
C-3	\$6,325 Contr.	7/27/01	8/8/01	12
C-3	\$4,850 Contr.	8/3/01	8/8/01	5
C-3	\$4,730 Contr.	8/24/01	8/28/01	4
21-Day Pre-Primary C-4	\$4,730 Contr. / \$1,500 Expend.	8/28/01	9/7/01	10
C-3	\$10,000 Contr.	8/31/01	9/7/01	7
7-Day Pre-Primary C-4	\$10,000 Contr. / \$37,571 Expend.	9/11/01	10/30/01	49
C-3	\$4,056 Contr.	9/21/01	9/28/01	7
C-3	\$850 Contr.	10/5/01	10/8/01	3
C-3	\$25,030 Contr.	10/26/01	11/6/01	11
7-Day Pre-General C-4	\$25,030 Contr. / \$17,372 Expend.	10/30/01	11/19/01	20
C-3	\$13,290 Contr.	12/10/01	3/19/02	99
Post-Election C-4	\$13,290 Contr. / \$8,839 Expend.	12/10/01	3/19/02	99
C-3	\$180 Contr.	3/10/02	3/19/02	9
Dec - Feb C-4	\$180 Contr. / \$13,956 Expend.	3/10/02	3/19/02	9

1. In an interview under oath, the Davis campaign treasurer, Denton Kiehle, acknowledged experiencing personal difficulties during Ms. Davis' 2001 campaign that caused him to file her reports late.
2. In a separate interview under oath, Ms. Davis stated that she believed at the time that Mr. Kiehle was meeting PDC filing deadlines. She stated that she signed a number of her PDC filings at the time they were due to be filed, and was unaware that Mr. Kiehle was not in fact filing the reports until a later date. She stated that she did not recall Mr. Kiehle approaching her to discuss any personal difficulties that were preventing him from meeting the campaign's filing deadlines.

- 3.3 During the 2001 election, contributions received between October 16 – November 5, 2001 were limited to \$5,000 in the aggregate from one source. Patricia Davis made a personal loan of \$8,000 to her campaign on October 9, 2001. The loan was reported to the PDC on October 11, 2001, five days before the beginning of the restricted period.
- 3.4 Ms. Davis loaned \$5,000 to her campaign for primary election expenses and repaid herself the entire \$5,000, exceeding the \$3,800 per-election limit on candidate loan repayment that was in effect at that time by \$1,200.
- 3.5 Ms. Davis loaned a total of \$18,000 to her campaign for general election expenses and repaid herself for \$8,654 of this amount, exceeding the limit on candidate loan repayment by \$4,854. The total of excess loan repayment for Ms. Davis' 2001 primary and general election campaigns was \$6,054.
- 3.6 In an interview under oath, Ms. Davis stated that she was not aware of any limit on repayment of candidate loans during her 2001 campaign.

### DETAILED FINDINGS

#### Timeliness of C-3 and C-4 Reports

- 3.7 May 2001 C-4 Report: On June 15, 2001, Patricia Davis filed a C-4 report covering May 15 – 31, 2001. **(Exhibit 3)** The report, which disclosed \$7,470 in new contribution deposits and \$7,544 in new expenditure activity, was due to be filed on June 7, 2001, and was filed 8 days late.
- 3.8 June 2001 C-4 Report: On July 16, 2001, Ms. Davis filed a C-4 report covering June 1 – 30, 2001. **(Exhibit 4)** The report, which disclosed \$15,178 in new contribution deposits and \$4,201 in new expenditure activity, was due to be filed on July 10, 2001, and was filed 6 days late.
- 3.9 21-Day Pre-Primary Election C-4 Report: In 2001, the 21-day pre-primary C-4 report covering July 1 – August 21, 2001 was due to be filed on August 28, 2001. On August 28, 2001, Ms. Davis filed a C-4 report covering July 1 – 31, 2001. The report disclosed \$16,330 in new contribution deposits and \$2,225 in new expenditures, and was timely filed. On September 7, 2001, Ms. Davis filed a report for the entire 21-day pre-primary C-4 reporting period of July 1 – August 21, 2001. **(Exhibit 5)** The report disclosed \$4,730 in contribution deposits and \$1,500 in expenditure activity that had not been previously disclosed. This activity was disclosed ten days late, and 11 days before the 2001 primary election.
- 3.10 7-Day Pre-Primary Election C-4 Report: In 2001, the 7-day pre-primary C-4 report covering August 22 – September 10, 2001 was due to be filed on September 11, 2001. On October 30, 2001, Ms. Davis filed the C-4 report

for this period. **(Exhibit 6)** The report, which disclosed \$10,000 in new contribution deposits and \$37,571 in new expenditures, was filed 49 days late, and 42 days after the 2001 primary election.

- 3.11 7-Day Pre-General Election C-4 Report: In 2001, the 7-day pre-general C-4 report covering October 10 – 29, 2001 was due to be filed on October 30, 2001. On November 19, 2001, Ms. Davis filed the C-4 report for this period. **(Exhibit 7)** The report, which disclosed \$25,030 in new contribution deposits and \$17,372 in new expenditures, was filed 20 days late, and 13 days after the 2001 general election.
- 3.12 Post-Election C-4 Report: On March 19, 2002, Ms. Davis filed a C-4 report covering October 30 – November 30, 2001. **(Exhibit 8)** The report, which disclosed \$13,290 in new contribution deposits and \$8,839 in new expenditure activity, was due on December 10, 2001, and was filed 99 days late.
- 3.13 Other C-4 Reports: On March 19, 2002, Ms. Davis filed a C-4 report covering December 1, 2001 – February 28, 2002. **(Exhibit 9)** The report disclosed \$180 in new contribution deposits and \$13,956 in new expenditure activity, all of which occurred during February of 2002. The report was due to be filed on March 10, 2002, and was filed 9 days late.
- 3.14 Post-Election C-3 Reports: On March 19, 2002, Ms. Davis filed two C-3 reports for monetary deposits made on November 20 and 29, 2001. **(Exhibit 10)** Details of these deposits, which totaled \$13,290, were required to be disclosed on December 10, 2001, and were disclosed 99 days late.
- 3.15 Other C-3 Reports: On July 16, July 24, August 8, August 28, September 7, September 28, October 8, November 6, 2001 and March 19, 2002, Ms. Davis filed C-3 reports of contribution deposits totaling \$64,408. **(Exhibit 11)** The reports for deposits made during June and November of 2001 were required to be filed on the tenth of the month following the month of the deposit; deposits made between July 1, 2001 and the date of the 2001 general election were required to be disclosed on the Friday following the date of deposit. Each of the C-3 reports was filed between three and twelve days late.
- 3.16 Interview with Denton Kiehle Regarding Late Reporting: On November 17, 2005, Denton Kiehle was interviewed under oath. **(Exhibit 12)** In the interview, Mr. Kiehle stated that he was aware during the 2001 campaign that he was not meeting PDC deadlines. He stated that he was experiencing personal difficulties at that time that caused him to file the reports late. He stated that he believed that he did speak with Patricia Davis regarding the compliance status of her campaign, but he could not specifically recall having brought the matter up with her.

- 3.17 Interview with Patricia Davis Regarding Late Reporting: On November 17, 2005, Patricia Davis was interviewed under oath. **(Exhibit 13)** In the interview, Ms. Davis stated that she believed at the time that Mr. Kiehle was meeting PDC filing deadlines. She stated that she signed a number of her PDC filings at the time they were due to be filed, and was unaware that Mr. Kiehle was not in fact filing the reports until a later date. She stated that she did not recall Mr. Kiehle approaching her to discuss any personal difficulties that were preventing him from meeting the campaign's filing deadlines. She stated that until she received Mr. Pope's complaint, she was not aware that reports from her 2001 campaign were not timely filed.

PDC staff reviewed the late reports discussed above and noted that on the C-4 reports covering May and June 2001, as well as on the 21-day pre-primary C-4 report, both Ms. Davis and Mr. Kiehle's signatures were dated on or before the due date for the reports, although the processing stamp indicates that the date of filing was between four and eleven days later. Staff also noted that on the C-4 report for the 7-day pre-primary election reporting period, the candidate and treasurer's signatures are dated September 15, 2001, four days after the report was due, although the processing stamp indicates that the form was not filed until October 30, 2001, 49 days after the deadline. Finally, staff noted that on the C-4 report for the 7-day pre-general election reporting period, the candidate and treasurer's signatures are dated November 4, 2001, five days after the report was due, although the processing stamp indicates that the form was not filed until November 19, 2001, 20 days after the deadline. In the case of all other late reports, the forms either did not require Ms. Davis' signature, or the lateness did not appear to be attributable to a lapse between the date of her signature and the date of filing.

#### **Contributions Exceeding \$5,000 Within 21-Day Restricted Period**

- 3.18 Mr. Pope alleged that Patricia Davis made an \$8,000 contribution to her campaign on October 17, 2001 that he stated would exceed the \$5,000 restriction on contributions during the 21 days before the 2001 general election. Although subsequent C-4 reports listed an outstanding loan of \$8,000 that was reportedly received on October 17, 2001, this loan was received by the campaign on October 9, 2001 and was first reported on a C-3 filed on October 11, 2001, five days before the beginning of the restricted period. **(Exhibit 14, pp 3, 9)**

#### **Repayment of 2001 Candidate Loans**

- 3.19 Mr. Pope alleged that Patricia Davis repaid herself for loans made to her 2001 campaign in excess of the limit on candidate loan repayments that was in effect for that election. Reports filed by Ms. Davis indicate that she loaned

her 2001 campaign \$23,000, as follows: **(Exhibit 14, Exhibit 11, pp 20 – 21)**

Date of Loan	Amount Loaned	Attributed To
5/15/2001	\$5,000	Primary Election
8/29/2001	\$10,000	General Election
10/9/2001	\$8,000	General Election

On her March 19, 2002 C-4 report, Ms. Davis disclosed an expenditure of \$13,655 from campaign funds to repay that much of the outstanding amount she had loaned to her campaign. **(Exhibit 9)** The actual expenditure was \$13,654. Ms. Davis was entitled to repay herself for up to \$3,800 in loans made with respect to the primary election; by fully repaying her \$5,000 primary election loan, she exceeded this limit by \$1,200. She was entitled to repay herself for up to \$3,800 in loans made with respect to the general election; by repaying \$8,654 of the \$18,000 she loaned her campaign for that election, she exceeded this limit by \$4,854. The total of excess loan repayment for Ms. Davis' 2001 primary and general election campaigns was \$6,054.

In her November 17, 2005 interview, Ms. Davis acknowledged receiving a \$13,654 repayment for her loans as discussed above. **(Exhibit 13)** She stated that during her 2001 campaign, she was not aware of any limit in the law on how much a candidate may be repaid for loans made to her campaign. She stated that it was her understanding that candidate loans could be repaid in full, funds permitting. She stated that she first became aware of candidate loan repayment limits upon receipt of Mr. Pope's complaint.

3.20 Patricia Davis cooperated fully with PDC staff during the investigation of this complaint.

#### IV. SCOPE

4.1 Staff reviewed the 45-Day Citizen Action Letter of complaint filed against Patricia Davis, received from Richard Pope on October 12, 2005.

4.2 Staff reviewed the following documents filed by the Patricia Davis 2001 Campaign:

- a. C-1 Candidate Registration filed on June 7, 2001.
- b. C-3 Reports filed on June 8, July 16, July 24, August 8, August 28, September 7, September 28, October 8, October 11, November 6, 2001, and March 19, 2002.

- c. C-4 Reports filed on June 15, July 16, September 7, October 30, November 19, 2001, and March 19, 2002.

4.3 The following persons were interviewed under oath:

1. Patricia Davis was interviewed on November 17, 2005.
2. Denton Kiehle was interviewed on November 17, 2005.

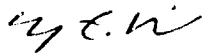
#### V. LAW

**RCW 42.17.080 and 090** require candidates to file timely, accurate reports of contributions and expenditures. The reports are filed monthly following an excess of \$200 in contribution or expenditure activity, except during the four months before the election, during which time summary reports of receipts and expenditures are required to be filed 21 days and again 7 days before each election in which the candidate will appear on the ballot. During this same time period before the 2001 election, monetary contribution reports were required to be filed on the Friday following the date of deposit.

**RCW 42.17.105(8)** restricts contributions received from one source within 21 days of a general election to no more than \$5,000 in the aggregate.

**RCW 42.17.125** limits repayment of a candidate's loans to his or her campaign to \$4,000 per election. During the 2001 election, this limit was set at \$3,800.

Respectfully submitted this 22<sup>nd</sup> day of November, 2005.



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Tony Perkins  
Political Finance Specialist

### EXHIBIT LIST

- Exhibit 1** C-1 Candidate Registration received from Patricia Davis on June 7, 2001.
- Exhibit 2** 45-Day Citizen Action Letter of complaint, received from Richard Pope on October 12, 2005.
- Exhibit 3** C-4 report covering May 15 – 31, 2001, filed by Patricia Davis on June 15, 2001.
- Exhibit 4** C-4 report covering June 1 – 30, 2001, filed by Patricia Davis on July 16, 2001.
- Exhibit 5** C-4 report covering July 1 – August 21, 2001, filed by Patricia Davis on September 7, 2001.
- Exhibit 6** C-4 report covering August 22 – September 10, 2001, filed by Patricia Davis on October 30, 2001.
- Exhibit 7** C-4 report covering October 10 – 29, 2001, filed by Patricia Davis on November 19, 2001.
- Exhibit 8** C-4 report covering October 30 – November 30, 2001, filed by Patricia Davis on March 19, 2002.
- Exhibit 9** C-4 report covering December 1, 2001 – February 28, 2002, filed by Patricia Davis on March 19, 2002.
- Exhibit 10** Two C-3 reports filed by Patricia Davis on March 19, 2002.
- Exhibit 11** C-3 reports filed by Patricia Davis on July 16, July 24, August 8, August 28, September 7, September 28, October 8, November 6, 2001 and March 19, 2002.
- Exhibit 12** Memorialized notes of a November 17, 2005 interview under oath with Denton Kiehle.
- Exhibit 13** Memorialized notes of a November 17, 2005 interview under oath with Patricia Davis.
- Exhibit 14** C-3 reports filed on June 8 and October 11, 2001.